Broadcast Flag Interim Certifications: Competitive Issues

1. Co-option of interoperability: More strict compliance criteria than the FCC; Licensor reservation of rights to "approve" interoperable technologies. *Contra* Philips approach: Interoperate with all FCC-approved technologies.

2. Relationship *inter se*: A "patent pool" with undisclosed patents and no BRL clearance. No explanation of the reason for joinder of horizontal competitors.

3. No firm assurance of independent administration or firewall to protect proprietary competitor data; Disclosure of future design plans, and other proprietary information not necessary for license administration.

4. Royalty-free non-asserts: No incentive to innovate on "standard." Unilateral change provisions permit "sweeping up" innovations, making them "necessary claims" subject to non-assert. Lack of patent disclosure may prevent meaningful evaluation of scope of non-assert, at the least increases risk for IP-rich licensees.

Jonathan Rubin
Albert Foer
American Antitrust Institute
Washington, D.C.
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Figure 1.
Selected Interface and Recording Content Protection Technologies in the Market

Technology	Administrator	Founder(s)	Function
DTCP	Digital Transmission Licensing Administrator, LLC	Sony, Matsushita, Intel, Toshiba, Hitachi (5C)	Transmission over: IEEE 1394, USB, IEEE 802.11x, MOST, IP
CPRM	4C Entity LLC	Matsushita, Toshiba, Intel, IBM (4C)	Recordings on DVD-R, DVD-RW, DVD-ROM & DV-VCRs
HDCP	Digital Content Protection, LLC	Intel	Transmission over: DVI, HDMI
CSS	DVD Copy Control Association/ License Mgmt. Int'l, LLC/CPAC	MEI, Toshiba/DVD CCA	Encryption of pre-recorded commercial DVDs
D-VHS	JVC	JVC	Recordings on: D-VHS VCRs
DFAST	CableLabs	CableLabs	POD Host Interface for MVPDs unidirectional set-top box or Digital-ready Product
AGC/ Colorstripe	Macrovision	Macrovision	Added to analog outputs for prevention of recording
CGMS/A	CEA/Self-administrating	Through industry standards-setting	Carriage of content control information over analog interfaces

Matrix of Cross-Authorizations
(Licensors of Technologies Along the Top have Authorized Sink/Playback
Devices to Use Technologies to the Left Marked with "X" Downstream)

	DTCP	CPRM	HDCP	CSS	D-VHS	DFAST
DTCP	X	X		X*	X	X***
CPRM	X	X			X	
HDCP	X	X	X	X**	X	X
D-VHS	X	X			X	
AGC/C.S.	X			X	X	X
CGMS/A	X	X		X	X	

* DVD CCA has authorized DTCP protection for 1394, USB, and MOST, only.
** DVD CCA has authorized HDCP for DVI, only.
*** DFAST has authorized DTCP over 1394, only (based on propsed license as filed).